



STATE OF IOWA

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DEPARTMENT OF HUMAN SERVICES
CHARLES J. KROGMEIER, DIRECTOR

TO: John Pollak
Legislative Services Agency

FROM: Jennifer Vermeer
Medicaid Director

SUBJECT: Home and Community Based Services Brain Injury (HCBS BI)
Waiting List and Institutional Care

DATE: October 20, 2009

John, per our conversation regarding the HCBS BI wait list and costs associated with people on the wait list the Iowa Medicaid Enterprise has reviewed the data. Below is a quick summary.

- As of October, 2009 there are a total of 1059 individuals on the HCBS BI waiver. During SFY 09, 771 individuals were on the BI wait list and 282 were provided access to a HCBS waiver slot. This left 424 individuals still on the wait list.
- Of these individuals on the wait list, a total of 65 went to a facility (59 to NF and 6 to ICF/MR). Please note that if an individual was offered a HCBS BI waiver slot today, they may still have the ability and means to move back into the community with Medicaid HCBS BI funding.
- The average cost of serving a person on the HCBS BI waiver is \$19511 per year. In theory, if a person was served in the HCBS BI waiver instead of the institution \$1.2 million could have been directed toward the elimination of the HCBS BI wait list (currently at 771 individuals). However, the cost to serve the remaining 424 individuals on the wait list and not in the institution is approximately \$8.3 million.
- The cost of this may vary as there are always a few individuals who go into institutional care and many others who do not. Those who do not work with the supports and funding streams that are available outside of Medicaid. The supports could be from other funding sources, family, community and/or counties.

The attached document is a more detailed look at the data summarized in this letter. Please let me know if you have any further questions.

Cost of institutional care while waiting for a BI waiver funding slot

Current Status

- As of 10/09 there are a total of 1059 individuals served on the HCBS Brain Injury waiver.

Waiting List

- During SFY 09 there are 771 individuals on the BI waiver waiting list.
- During SFY 09, 282 individuals were provided access to a waiver slot.
- During SFY 09, 424 individuals remained on the waiting list.
- In FY 09 a total of 65 HCBS BI applicants on the waiting list went to a facility (59 to NF and 6 to ICF/MR) ICF/MR.
 - From the Cumulative Rate listing as of 06/30/09 the daily per diem in a nursing facility is as follows:
The average high is \$179.36, the middle is \$120.77 and the low is \$85.96. The average monthly cost of nursing facility care based on 30.4 days at the low, middle and high per diem rates are as follows: \$5441.60, \$3671.41, \$2613.18
 $59 @ \$5441.60 \times 12 = \$3,852,652.80$
 $59 @ \$3671.41 \times 12 = \$2,599,068.00$
 $59 @ \$2613.18 \times 12 = \$1,852,131.44$
 - The weighted average cost of ICF/MR is \$281.70 per day based on the 2008 compilation. Average monthly cost based on 30.4 days is: \$8,563.68
 $6 @ \$8,563.68 \times 12 = \$ 616,584.49$

Conclusion:

- In FY 2009, Medicaid spent \$3.2 million (approximately \$2.2 million federal and \$1 million state share) on institutional care for 59 members who were waiting on the BI waiver waiting list.
- The average cost per person on the BI waiver is \$19,511 per year. The cost of serving all 771 members currently on the waiting list on the waiver is \$15 million (approximately 10.2 million federal and \$4.8 million state).
- When compared to what might have been “saved” if those who went to institutional care had instead been served on the waiver that leaves \$1.2 million that could have been directed toward the cost of eliminating the 771 person waiting list.
- The total cost to serve the remaining 424 individuals (those not in an institution or who did not receive a slot) would be approximately \$8.3 million (5.6 Federal and \$2.7 million state).

The challenge is that there may always be a few that go into institutional care, but there were many more who did not go into an institution. They continued to piece together other services in the community. And you can't predict who on the waiting list will actually need to go to the institution, as there are too many individual variables, such as their family supports, community supports, intensity of needs etc.